

June 1, 2011

**VIA ELECTRONIC FILING**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Re: WC Docket No. 11-42 Lifeline and Link Up Reform and Modernization  
CC Docket No. 96-45 Federal-State Joint Board on Universal Service  
WC Docket No. 03-109 Lifeline and Link Up  
**NOTICE OF EX PARTE PRESENTATION**

Dear Ms. Dortch:

One of the issues before the Commission in the above-captioned Lifeline and Link Up Reform and Modernization proceeding is whether -- and how the Commission might promulgate a rule limiting Lifeline-supported services to one per household or one per residential address. TracFone Wireless, Inc. ("TracFone") provides Lifeline service as an Eligible Telecommunications Carrier in more than thirty states. Since commencement of its SafeLink Wireless<sup>®</sup> Lifeline program in 2008, TracFone has consistently adhered to a one-per-residential address limitation without regard to whether or not that limitation was codified in the Commission's rules. By implementing the processes described in this letter, TracFone has been able to limit enrollment in its Lifeline program to one per household. These procedures have worked well and have enabled TracFone to limit Lifeline support to one supported service per residence.

The purpose for this ex parte letter is to describe how TracFone implements the one-per-residential address limitation. TracFone has designed the SafeLink Wireless<sup>®</sup> enrollment system to identify any attempts to enroll more than one Lifeline account at a single address. All addresses provided by Lifeline applicants must be provided by the applicant in United States Postal Service standard format. Doing so ensures that a unique bar code based on the Delivery Point Validator is stored in the TracFone system. Whenever such an address is provided by an applicant and entered in TracFone's system, the system captures the bar code information and compares the address information against TracFone's entire customer base. Addresses provided by applicants which are not in the USPS standard format -- such as, for example, P.O. Box addresses -- are not acceptable.

When an applicant for SafeLink Wireless<sup>®</sup> service provides TracFone with a USPS standard format address, TracFone's system will compare the unique bar code against the entire customer data base. If the address matches that of an already-enrolled Lifeline customer, the applicant will be informed that his/her claimed address is listed as being the address of another customer. If the new applicant asserts the address to be his/hers, a TracFone enrollment

representative will attempt to contact the existing customer indicated to have the same address as that submitted by the new applicant. The existing customer will be asked whether he/she has moved (*i.e.*, changed addresses) since enrollment and, if so, to provide TracFone with the new residential address. If the existing customer indicates that his/her address has changed since enrollment, TracFone will update that customer's records to indicate the customer's new address, and TracFone will continue to process the new applicant's enrollment application. If TracFone is unable to contact the existing customer after several attempts, that customer will be de-enrolled from the Lifeline program so that the new applicant can be enrolled at the address provided.

There are situations in which multiple applicants claim the same USPS residential address and, despite listing the same address, do reside in separate households. Such situations include separate families or other living groups residing in separate portions of the same structure (*e.g.*, duplex housing with one living unit residing on one floor and another living unit residing on a different floor), persons residing in shelters, assisted living centers or other group living facilities where such residents claim the same USPS address, and unrelated persons sharing a single residential address such as roommate situations. Other situations in which multiple unrelated persons may share the same residential address include persons renting separate rooms in one house and persons residing in separate housing units on the same property where the individual units are not identified as separate addresses by the USPS,

TracFone had established procedures for such situations in a manner consistent with the one-per-residential address requirement. In the case of shelters, qualifying homeless shelters register with TracFone so that TracFone is aware of the number of rooms or beds available at the shelter. Shelter residents seeking to enroll in TracFone's Lifeline program complete an enrollment form provided to them by the shelter manager who must also verify that the applicant resides at the shelter, and signs the application. The completed enrollment form signed by the applicant and the shelter manager is returned to TracFone which processes the application upon receipt.

In the case of unrelated persons living in physically undivided residences (*e.g.*, unrelated renters of individual rooms in a house, or separate families occupying separate portions of the same residential building) TracFone representatives have been trained and instructed to advise applicants in such living situations that they are not eligible for Lifeline support if another member of the household resides at the same location. It then becomes incumbent upon the applicant to provide an explanation and documentation that unrelated residents of such residences are not members of the same household.

For persons residing in separated portions of a residential structure but where the separations are not reflected in the USPS format, TracFone representatives will direct applicants to contact the nearest U.S. Post Office so that the address can be properly registered as containing multiple residential units. In such situations, applicants are informed by TracFone that the USPS-CASS registration process may take as long as ninety days.



TracFone does not believe that a one-per-residential address requirement should preclude unrelated persons in such residential situations from receiving Lifeline-supported services if they are otherwise entitled to do so. Under TracFone's current procedures based on a one-per-household requirement, when such situations occur, TracFone representatives inform the applicants about the one-per-household requirement and explain that the applicant may not be enrolled in Lifeline unless the applicant can provide a satisfactory explanation of the circumstances, including the fact that the applicant does not reside in the same household as another Lifeline customer claiming the same address.

Decisions regarding consumer eligibility under the one-per-residential address requirement are not made by TracFone customer service representatives. Upon request of an applicant, the applicant may be transferred to a supervisory level person who explains the requirement. On occasion, TracFone receives complaints from the Commission or from state commissions regarding Lifeline applicants who have been denied enrollment under the one-per-residential address requirement. In such situations, the matter will be escalated to a group of senior enrollment specialists known within TracFone as the "Exceptions Team." The Exceptions Team will conduct its own analysis, attempt to obtain proof of customer eligibility or check alternative address confirmation methods. In appropriate circumstances where the evidence collected indicates that more than one unrelated person seeking Lifeline benefits resides at the same address, enrollment will be permitted. However, this will occur only upon satisfactory documentation that persons residing at the same address are not members of the same household. No TracFone employee, including members of the Exceptions Team, is authorized to waive, bend, or disregard the requirement.

As an additional step to prevent enrollment of customers not qualified for Lifeline support, TracFone obtains date of birth and Social Security Number (last four digits) and validates that the applicant exists, is who he/she claims to be, and that no other applicants have provided the same information. TracFone uses the services of a reputable third party vendor (Lexis Nexis) to match the DOB/SSN information provided by the applicant. Lexis Nexis matches that customer-provided DOB/SSN data against available public records such as immigration records, real estate records, motor vehicle registration and driver license records). The verification process used is referred to by the acronym NAS (Name, Address and Social Security Number). Lexis Nexis uses that process to confirm that the customer name and the DOB/SSN information provided match. TracFone has found based on extensive experience that obtainment of date of birth and last four digits of Social Security number is an effective way to confirm applicants' identities and eligibility and to prevent enrollment in Lifeline programs by unqualified persons and by persons already receiving Lifeline benefits. TracFone encourages the Commission to require all ETCs to obtain that information as a means to detect and prevent waste, fraud and abuse of Universal Service fund resources.

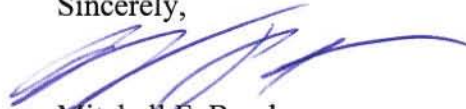
In short, as described herein, TracFone has developed and implemented systems to ensure that only one Lifeline-supported service per residential address is provided except for situations where applicants are able to demonstrate that they are part of a separate household from another residing at the same address, and that customers may only be enrolled in TracFone's Lifeline

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program if they are able to provide DOB/SSN information which can be used by TracFone's third party vendor to confirm that the applicants are whom they claim to be.

Pursuant to Section 1.1206(b) of the Commission's rules, this letter is being filed electronically. If there are questions regarding this letter, please communicate directly with undersigned counsel for TracFone.

Sincerely,



Mitchell F. Brecher

Cc: Ms. Kim Scardino  
Ms. Cindy Spiers